

# 2022 ECONOMIC REPORT

# MISSOURI

## ECONOMY OVERVIEW



## GROSS DOMESTIC PRODUCT (GDP)

Gross Domestic Product (GDP) is the broadest measure of economic activity. Gross Domestic Product by State (GSP) measures the value-added from industries in that state for a particular period of time. In 2021, Missouri's GDP was \$295.7 billion (in 2012 chained dollars), a 4.6 percent increase from 2020 to 2021. Nationally, inflation-adjusted GDP increased 5.7 percent over the same period. The GDP increase from 2020 to 2021 indicates an economic recovery after the COVID-19 pandemic.

All eight neighboring states of Missouri experienced increase in GDP. Six states had greater percent increases than that of Missouri and two states had slower growth. Tennessee had the greatest increase, at 8.6 percent, and Oklahoma had the slowest growth at 2.2 percent. Compound annual growth rate of GDP for Missouri over a five-year period (2017-2021) was 1.2 percent.

Several industry sectors experienced a positive GDP growth from 2011 to 2021. The greatest compound annual growth rate in the past 10 years has been in *Agriculture, Forestry, Fishing and Hunting* with a 5.5 percent compound annual growth rate. Other 10-year top trends include a compound annual growth rate in *Natural Resources and Mining* at 4.5 percent; *Professional, Scientific, and Technical Services* at 3.7 percent; and *Management of Companies and Enterprises* at 2.6 percent.

In the past year, most industry sectors experienced positive growth. The *Arts, Entertainment, and Recreation* industry had the largest yearly growth, at 28.8 percent. *Agriculture, Forestry, Fishing and Hunting*, at 24.5 percent, had the next largest positive growth. The largest negative yearly growth was in *Utilities* at -8.0 percent.

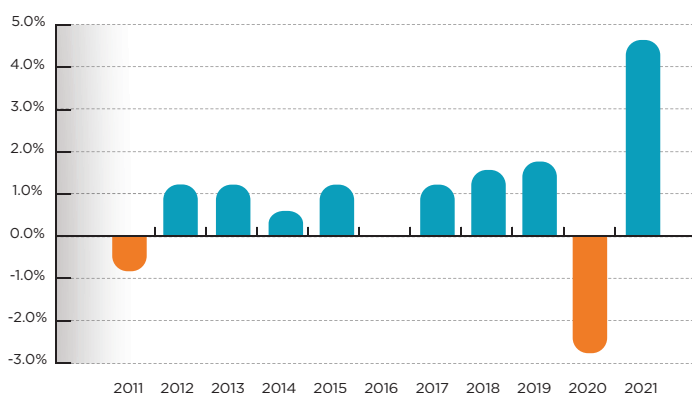
In 2011, Missouri produced \$234.99 billion in goods and services whereas in 2021, Missouri produced \$263.39 billion in goods and services.

Missouri grew at an annualized rate of 0.97 percent to equal \$27.2 billion in growth over the past 10 years, or a 10.1 percent GDP increase overall.

Gross Domestic Product by metropolitan statistical areas (MSA) measures the percentage of contribution by MSA to Missouri's total GDP. In 2020, highest GDP contribution was from St. Louis MO-IL combined MSA (\$149.9 billion) followed by Kansas City MO-KS MSA (\$124.3 billion) and Springfield MO MSA (\$18.2 billion). The St. Louis and Kansas City MSAs do cross state boundaries, with only a portion of the GDP attributed to each state.

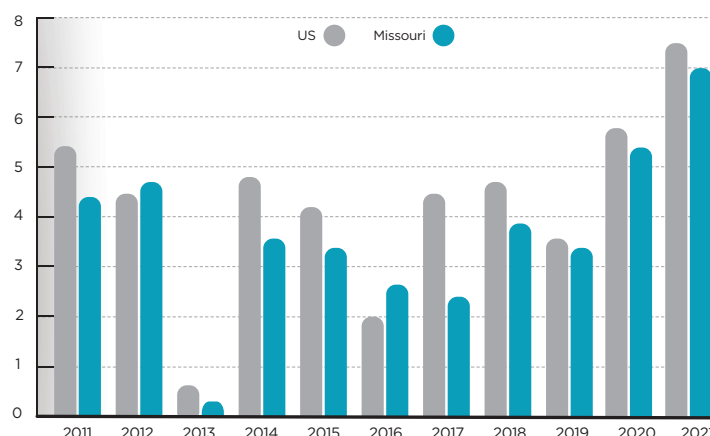
By county, St. Louis County was the leading contributor to Missouri's GDP in 2020 at \$70.2 billion, followed by Jackson County (\$41.7 billion) and St. Charles County (\$15.5 billion).

## Missouri Real Gross State Product Annual Growth Rate



SOURCE: U.S. BUREAU OF ECONOMIC ANALYSIS, REAL GDP IN 2012 CHAINED DOLLARS

## Personal Income Annual Growth Rate



SOURCE: U.S. BUREAU OF ECONOMIC ANALYSIS, 2021

# MISSOURI OVERVIEW

## TOTAL PERSONAL INCOME

Total personal income includes the wages and salaries of workers and other income received such as dividends, interest, rent, and transfer payments. Incomes are reported before the deduction of taxes.

Transfer payments are monies paid out by the government to individuals through Social Security, Disability Insurance, Medicare, Unemployment Insurance compensation, Veterans benefits, Education and Training Assistance programs (Pell Grants for example), and low-income assistance benefits (which include SSI, Medicaid, CHIP, and TANF).

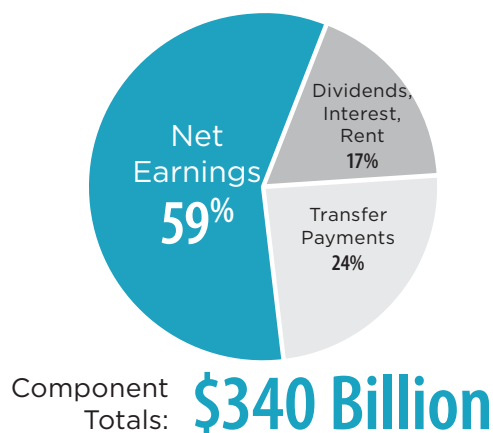
In 2021, Missouri's total personal income was \$340.23 billion, a 7.0 percent increase over 2020. The nation's personal income increased 7.4 percent to \$21.06 trillion. California led the nation in total personal income with more than \$2.99 trillion. Texas, New York, Florida, and Illinois were in the top five.

Among surrounding states, Missouri had the seventh largest percent increase in personal income from 2020 to 2021. Total personal income in Nebraska increased by 9.3 percent, followed by Tennessee (8.9%), Arkansas (8.1%), Kentucky (7.9%), Iowa (7.5%), and Illinois (7.3%). Oklahoma (6.7%) and Kansas (6.5%) had lower percent personal income increase than Missouri (7.0%) from 2020 to 2021.

Net earnings accounted for 59 percent of Missouri personal income in 2021. Transfer payments accounted for 24 percent and dividends, interest, and rent accounted for 17 percent. In the U.S., 61 percent of personal income was accounted for by net earnings, 22 percent by transfer payments and 17 percent by dividends, interest, and rent.

St. Louis County had the highest personal income in the state in 2020 with \$78.3 billion, a 5.8 percent increase from 2019. Jackson County (\$35.4 billion) and St. Charles County (\$23.1 billion) had the next highest personal income, a 5.5 percent and 4.3 percent increase from 2019, respectively. St. Louis County (\$78.3 billion) had the largest nonfarm personal income whereas Saline county had the highest farm income (\$92.3 million), followed by Carroll County (\$69.9 million), and Audrain County (\$67.5 million).

Missouri Components of Personal Income



SOURCE: U.S. BUREAU OF ECONOMIC ANALYSIS, 2021

Per capita personal income is a rough indicator of the economic well-being of an area's residents. Per capita income is calculated by dividing an area's total personal income by its population. The per capita personal income in Missouri in 2021 was \$55,159, a 6.7 percent increase from 2020. Nationally, per capita income was \$63,444. In this analysis, per capita income is presented in nominal dollars which means it has not been adjusted for inflation. While the state's per capita income is lower than the national average, so is the cost of living. In 2021, Missouri ranked seventh in lowest cost of living for all states.

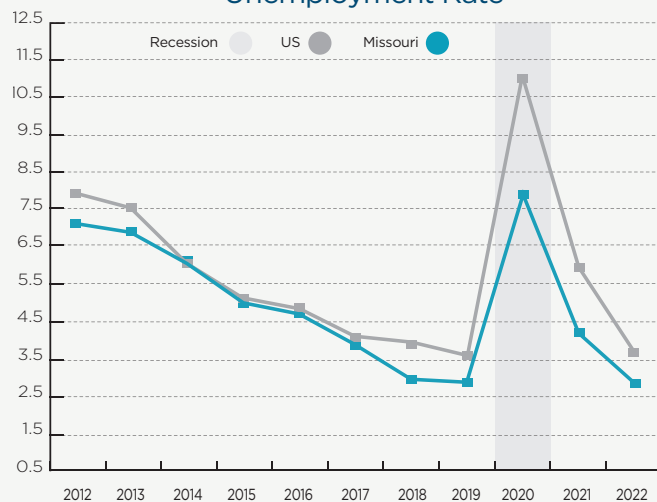
In 2020, St. Louis County had the highest per capita income in the state at \$78,807, followed by Platte County (\$60,698), St. Charles County (\$56,879), and Holt County (\$56,644).

## UNEMPLOYMENT

The unemployment rate measures the number of people out of work but actively seeking employment relative to the civilian labor force. As of June 2022, the nation's unemployment rate was 3.6 percent, a significant decrease from June 2021 (5.9%) and June 2020 (11.0%), reflecting continued recovery from the economic downturn caused by the COVID-19 pandemic. Similarly, Missouri's unemployment rate in June 2022 was 2.8 percent, an improvement from 4.4 percent in June 2021 and 7.7 percent in June 2020. Missouri's unemployment rate of 2.8 percent is the lowest rate for the state in the decade.

Prior to the COVID-19 pandemic, Missouri and the nation were experiencing record low unemployment numbers and a tight labor market. Unemployment spiked during the second quarter of 2020, as COVID-19 related shutdowns and layoffs impacted the economy in the U.S. and around the world. Missouri's unemployment rate rapidly declined as more Missourians were able to return to work. The current unemployment rate of 2.8 percent, a historic low, shows economic improvement following the COVID-19 pandemic.

Unemployment Rate



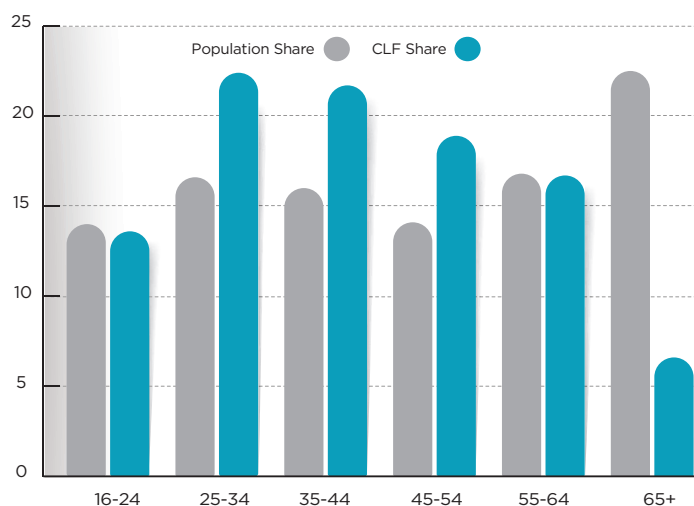
SOURCE: U.S. BUREAU OF LABOR STATISTICS, LOCAL AREA UNEMPLOYMENT STATISTICS

# MISSOURI OVERVIEW

## CIVILIAN LABOR FORCE

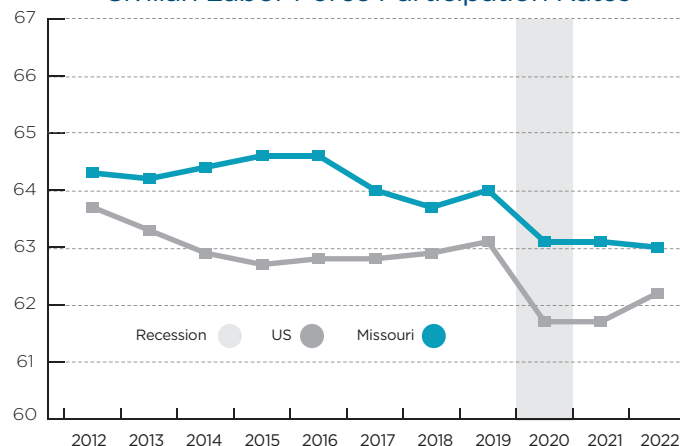
The civilian labor force is defined as the number of non-institutionalized persons—16 years and older—who are either gainfully employed or are unemployed but actively seeking work. The civilian labor force in Missouri totaled over three million in 2021. In June 2022, Missouri's seasonally adjusted labor force totaled 3,074,333, with a labor force participation rate of 63.0 percent. According to data from the U.S. Bureau of Labor Statistics (BLS), in 2021, the 35 to 54 age cohort comprised 30.1 percent of Missouri's population and 40.6 percent of its civilian labor force. The 65+ age cohort made up 22.5 percent of the population and 6.6 percent of the civilian labor force.

### Missouri Population and Labor Force by Age Cohort



SOURCE: U.S. BUREAU OF LABOR STATISTICS, LOCAL AREA UNEMPLOYMENT STATISTICS, EMPLOYMENT STATUS, JANUARY 2021-DECEMBER 2021 (BASED ON CURRENT POPULATION SURVEY)

### Civilian Labor Force Participation Rates



SOURCE: U.S. BUREAU OF LABOR STATISTICS, LOCAL AREA UNEMPLOYMENT STATISTICS

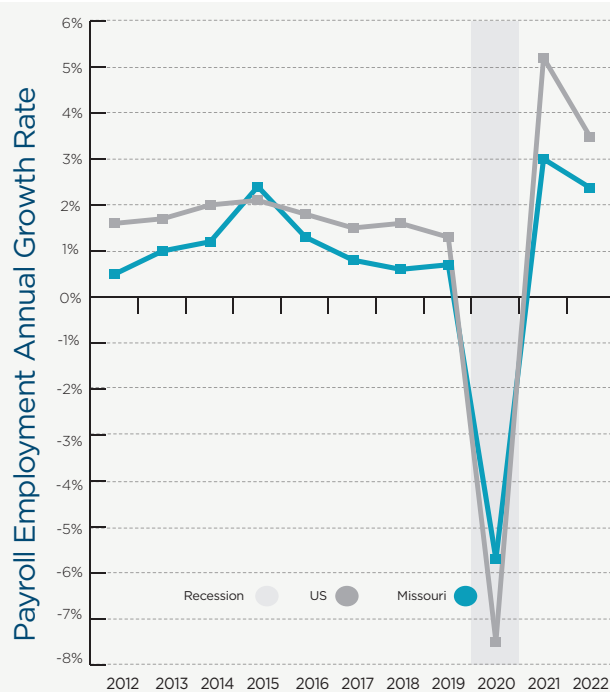
The labor force participation rate (LFPR) is the ratio of the civilian labor force to the population. The national LFPR climbed to a peak of 67 percent in 1990 where it seemed to stabilize. However, since 2001 the LFPR has been falling.

In the last 10 years, prior to the COVID-19 pandemic, Missouri's LFPR averaged between 64 to 65 percent. In 2020, it declined to 63.1 percent and remained at this level in 2021. Despite the decline, more Missourians—as a share of the state's working-age population—participate in the labor force when compared to the national LFPR. In 2020, Missouri's LFPR was 1.4 percentage points higher than the U.S. LFPR of 61.7 percent. This difference also remained the same for 2021. Missouri's LFPR has been higher than the national average for more than a decade.

## NONFARM PAYROLL EMPLOYMENT

Nonfarm payroll employment is the estimate of employment in the nonagricultural sector of the economy. Total nonfarm payroll employment peaked in 2019 in the U.S. and Missouri, following nine years of growth after the Great Recession. July 2020 nonfarm employment in the U.S. was 7.9 percent lower than in July 2019 due to the impact of the COVID-19 pandemic – a loss of more than 11 million jobs. By July 2021, employment increased by 5.3 percent, recovering more than 7 million jobs. June 2022 estimates show national employment increased 4.3 percent compared to June 2021, adding more than 6.3 million jobs.

Statewide, Missouri's nonfarm payroll employment followed a similar trend, with a decrease of 5.6 percent, or 163,200 jobs, from July 2019 to July 2020. In July 2021, employment grew by 4.4 percent year-over-year, with a recovery of 120,300 jobs. Estimates for June 2022 show nonfarm employment in the state increased by 2.3 percent compared to June 2021, adding 65,500 jobs. Despite the increases, Missouri total nonfarm payroll employment has not quite returned to the pre-pandemic peak.



SOURCE: U.S. BUREAU OF LABOR STATISTICS, CURRENT EMPLOYMENT STATISTICS

# MISSOURI OVERVIEW

## EMPLOYMENT CHANGE BY INDUSTRY

Employment change by industry identifies the types of jobs being created in the state. Industries with increasing employment indicate a greater need within that sector. There are also industries that behave more cyclically, growing during economic expansion and decreasing in times of economic slowdown or contraction.

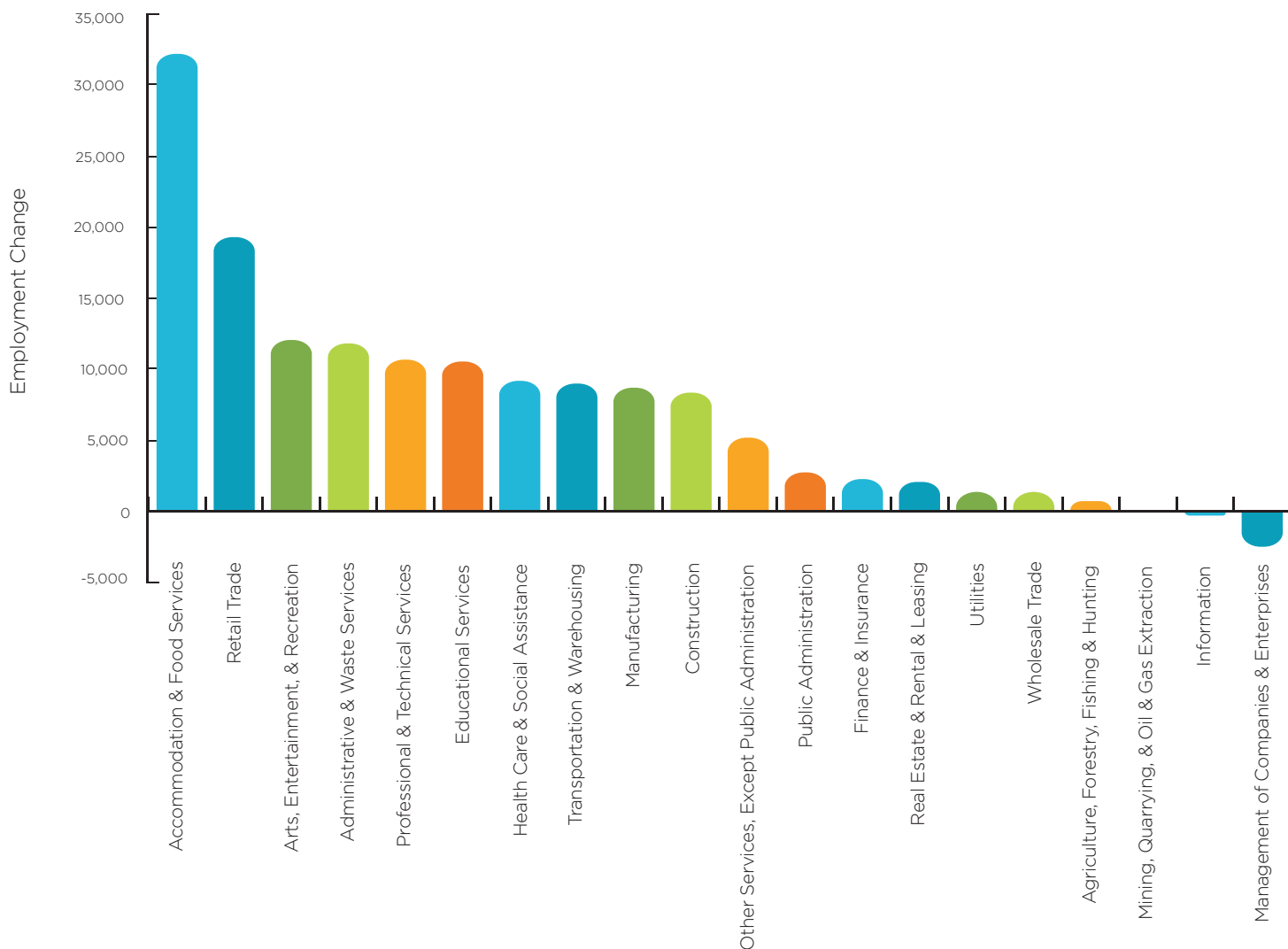
These changes are crucial; they help identify both the types of occupational job loss that is occurring and industries that are expanding or hiring.

The change in employment from 2020 to 2021 shows significant recovery from the COVID-19 pandemic. Overall, Missouri gained over 69,000 nonfarm employment from 2020 to 2021. There were large employment gains from 2020 to 2021 in several industry sectors that helped make up for the losses of COVID-19 pandemic.

As the economic recovery continues in 2022 and more data becomes available, there might be significant employment gains when comparing 2021 to 2022 in terms of employment changes by industry.

Eighteen out of 20 industry sectors gained jobs between 2020 and 2021. Only the *Information* and *Management of Companies and Enterprises* sectors declined when compared 2020 to 2021. The pandemic negatively impacted some industries more than others. For example, the *Accommodation and Food Services* sector experienced the largest employment drop in 2020. However, the sector gained almost 32,000 jobs from 2020 to 2021. *Retail Trade* (+19,092 jobs); *Arts, Entertainment, and Recreation* (+11,903 jobs); and *Administrative and Support and Waste Management and Remediation Services* (+11,662 jobs) also made significant recovery.

Missouri Employment Change by Industry Sector 2020-2021



SOURCE: U.S. BUREAU OF LABOR STATISTICS, QUARTERLY CENSUS OF EMPLOYMENT & WAGES

# MISSOURI OVERVIEW

## LARGEST GROWTH INDUSTRIES

Projected growth by industry helps identify future employment needs for an area. Projections indicate that the largest employment growth in Missouri between 2020 and 2030 will be in the *Restaurants and Other Eating Places; Computer Systems Design and Related Services; Employment Services; General Medical and Surgical Hospitals; and Individual and Family Services* industries.

### MISSOURI INDUSTRIES WITH THE LARGEST PROJECTED GROWTH 2020-2030

INDUSTRY	EMPLOYMENT		CHANGE 2020-2030	
	2020 EST.	2030 PROJ.	NUMERIC	PERCENT
Restaurants & Other Eating Places	180,341	218,078	37,737	20.9%
Computer Systems Design & Related Services	45,201	55,925	10,724	23.7%
Employment Services	45,284	55,998	10,714	23.7%
General Medical & Surgical Hospitals	145,204	154,656	9,452	6.5%
Individual & Family Services	66,257	75,579	9,322	14.1%
Traveler Accommodation	23,334	30,628	7,294	31.3%
Elementary & Secondary Schools	145,675	152,403	6,728	4.6%
Colleges, Universities, & Professional Schools	58,485	64,408	5,923	10.1%
Warehousing & Storage	20,668	26,422	5,754	27.8%
Merchant Wholesalers, Durable Goods	67,646	73,209	5,563	8.2%

SOURCE: MERIC INDUSTRY PROJECTIONS, 2020-2030

## ONLINE JOB POSTINGS

Job postings are an indicator of demand and opportunities in an area, and can assist individuals seeking job opportunities in current in-demand occupations. According to information based on online job posting data collected and aggregated by Lightcast™, a variety of occupations have had a high number of job postings in the state during the last year. *Registered Nurses* had the most online job postings in any category during the last year.

OCCUPATION TITLE	ONLINE JOB POSTINGS
<b>NOW OCCUPATIONS</b>	
Retail Salespersons	22,469
Customer Service Representatives	17,183
Laborers & Freight, Stock, & Material Movers, Hand	16,107
Fast Food & Counter Workers	13,993
Home Health & Personal Care Aides	10,451
<b>NEXT OCCUPATIONS</b>	
Sales Representatives, Wholesale & Manufacturing, Except Technical & Scientific Products	21,300
Heavy & Tractor-Trailer Truck Drivers	19,992
First-Line Supervisors of Retail Sales Workers	16,624
Maintenance & Repair Workers, General	11,566
Medical Dosimetrists, Medical Records Specialists, & Health Technologists & Techs	10,821
<b>LATER OCCUPATIONS</b>	
Registered Nurses	41,155
Software Developers & Software Quality Assurance Analysts & Testers	26,525
Personal Service Managers, All Other; Entertainment & Recreation Managers	14,389
Computer Occupations, All Other	13,973
Medical & Health Services Managers	10,957

SOURCE: LIGHTCAST™ (FORMERLY EMSI BURNING GLASS TECHNOLOGIES), ONLINE JOB ADS FROM JUNE 1, 2021 TO MAY 31, 2022